29 January 1953

## MENORAHUM FOR THE DEPUTY DIRECTOR/INTELLIGENCE

- SUBJECT : Current Views of O/NE Staff on Sino Soviet Relations
- REFERENCES: (a) MIE-58: "Relations between the Chinese Communist
  Regime and the MESR: Their Fresent Character and
  Probable Future Courses", dated 10 September 1952
  - (b) HIE-47: "Communist Capabilities and Intentions in Asia through Mid-1953", dated 31 October 1952
  - (c) Hemorandum for the Daynty Director/Plans, titled "Far East Staff, O/NE, Comment on "Relations between Communist China and the USSR's, dated 10 October 1952 (Attached as TAB A)
- 1. The O/ME Staff has examined in this memorandum the developments which have occurred in Sino-Soviet relations in recent months and the menner in which these developments appear to have altered the nature of the Moscow-Peiping relationship.
- 2. Conclusions. In summary, and as compared with our existing estimates on Sino-Soviet relations, these conclusions appear justified:
  - a. Recent events do not appear to have altered the basic nature of Sino-Soviet relations, the motivations of each of the partners, or the unifying and divisive forces present in the relationship.
  - b. The enemy's war effort in Korea has not been hampered by the frictions, actual and potential, which may exist in the Sino-Soviet partnership. On the contrary, the cooperative effectiveness of the enemy in supporting the war appears to have increased in recent souths.
  - c. The relative power relationship existing between Mossow and Feiping has apparently changed in the past half year to the detriment of Peiping. Communist China appears increasingly dependent upon the USSR, militarily and economically, and is probably less capable of pursuing an independent course than it has been previously.

## ). Discussion

- existing estimates correctly describe such factors as Chine's unique status within the Communist world, Peiping's acknowledgement of Moscow's leadership, the common ties of ideology and matual involvement in the pursuit of common objectives, the divisive influences which have been temporarily subordinated, and the advantages which each partner finds in centimuing the present relationship while at the same time seeking to pursue its individual power interests.
- b. The effect of frictions upon the enemy's conduct of the war In Morea. We feel that the passage of time has confirmed our view that the effect of pessible frictions in Sino-Soviet relations will for the foreseeable future be "far outweighed" by that of unifying influences. This has been particularly true in the effectiveness with which the enemy has conducted the war in Morea, both militarily and diplomatically. Military developments of recent months include the facts that the Communists have continued the war in Korca without sign of let-up, that China has publicly assigned continued prosecution of the war as the regime's primary objective, that quantitative and qualitative increases in Communist ground force strength in Morea have continued, and, perhaps most importantly, that Communist bomber strength is being substantially increased in Manchuria and the Soviet Far East. The principal development in Sino-Soviet relations concerning the Korean war has been the continued refusal of either Moscow or Pelping to modify their obdurate position on the question of an armistice. There is no evidence at the present time which warrants concluding that either Hoscow or Peiping is the more anxious for an end to hostilities in Morea; on the contrary, we believe that available evidence continues to suggest that Seviet and Chinese Corraniet leadership are agreed upon policy in Korea and that neither partner is particularly anxious to conclude an early armistice.
- c. Changes in Sine-Seviet power relationships. We believe that a definite alteration in Sine-Seviet power relationships has taken place in recent months. On the one hand, Chinese influence has increased in North Hores and in Hanchuria (despite Seviet retention of Fort Arthur and Dairen), and appears to be continuing its increase in Sinking and Inner Mongolis. These accretions in Chinese influence, however, appear to be more than outweighed by a manber of developments. First exong these is China's increasingly great military and secondard dependence upon the USSE. Moreover, the protracted negotiations at Moscow and a number of accompanying events suggest decisions reached which may indicate an actual, or potential,

-J-

decrease in China's relative power position: the failure of the USSR to retrocede Port Arthur and Dairen, and the intense effort subsequently made by Felping to justify this fact to its domestic audience; China's effusive treatment of Sino-Seviet Friendship Month in November; the announcement by Paiping that a 5-year plan will be launched in 1953, and the clear inference that can be drawn from Paiping's treatment of this topic that the current scale of Soviet advice and assistance will be increased for this effort; and, lastly, the peculiar circumstances surrounding Sino-Seviet rejection of the Menon Resolution in the UN. China at the present time is thus probably less able to pursue an independent course than it has been previously. The net effect of these developments may be two-fold: for the immediate future, Sino-Soviet sesperative effectiveness in conducting the Korean war and in industrializing China will probably increase; over the long run, however, the basic nature of Sino-Soviet relations appears such that any increase in Soviet influence will probably bring an accompanying increase in the number and intensity of frictions in the partmership.

> Acting Assistant Director National Retimates

25X1

25X1

O/NE:RJSmith/ Distribution: Orig & 2 - DD/I Reading Room Mr. R. J. Smith AD/NE